

No. 0127-2026

May 14, 2026

Subject : Management Discussion and Analysis for the First Quarter of 2026 Ended
March 31, 2026

To : The President
The Stock Exchange of Thailand

1. Business Overview

The CMO Group operates under the mission of “We are creative creators of experiences,” with a commitment to delivering creative concepts and meaningful experiences to customers and stakeholders across all sectors. During the first quarter of 2026, the Company operated under highly competitive conditions within the event and experience creation industry, alongside ongoing pressure from project costs and resource management. Nevertheless, the Company continued to emphasize cost management, financial discipline, and operational efficiency enhancement in order to adapt to the continuously evolving business environment.

Industry Overview and Competitive Landscape

The event and MICE industry (Meetings, Incentives, Conventions and Exhibitions) remains one of the key industries supported by the Thai government in driving the country’s economy. The Thailand Convention and Exhibition Bureau (TCEB) projected that total revenue of Thailand’s MICE industry in fiscal year 2025 would exceed THB 200 billion, increasing from approximately THB 136 billion in fiscal year 2024, reflecting the continued recovery of both domestic and international event activities.

In the commercial event segment, Thailand’s concert and music festival market was valued at more than THB 5 billion in 2025 and continues to serve as one of the key growth drivers of the event industry.

Despite the overall industry expansion, domestic competition has intensified significantly, particularly from large local operators and the entry of foreign-invested operators. Industry associations and market participants have indicated that certain foreign operators have imported labor and equipment into Thailand to conduct operations, resulting in significant pricing pressure and margin compression for Thai operators.

Comparison with Industry Operators

Operators in Thailand's event and experience industry can be categorized into several groups, all of which represent important peers and competitors of the CMO Group in the commercial market, including:

- Large publicly listed operators with more than 30 years of operating experience and overseas business presence, offering services ranging from Event Marketing, Festive Events, and Exhibitions to Integrated Media and Consumer Research. Their key strengths include business scale, extensive corporate client networks, and internationally recognized portfolios.
- Operators specializing in exhibitions and trade shows in the B2B market segment, which represents the largest revenue segment of the MICE industry, accounting for more than 63% of total industry revenue. Their competitive advantages include specialized expertise and long-term relationships with corporate clients.
- Organizers of large-scale national trade fairs and automotive exhibitions, whose primary revenues are generated from annual flagship events and sponsor networks within specific industries.
- Concert and music festival operators, including music labels and entertainment organizers expanding into integrated event management services. This segment continues to experience strong growth and intense competition in content creation and artist acquisition.
- Foreign-invested operators that import labor and equipment into Thailand for operations, thereby creating pricing pressure and reducing profit margins for Thai operators.

Compared with the aforementioned groups of operators, the CMO Group's key strength lies in its comprehensive service capabilities, ranging from creative design and project management to equipment services and fully integrated Total Experience Solutions.

However, amid intense market competition and the decline in the Company's gross profit margin from 32.5% in the first quarter of 2025 to 26.2% in the first quarter of 2026, the Company continues to focus on enhancing service quality differentiation, improving project cost management efficiency, and strengthening sustainability compliance standards, which are

increasingly becoming critical competitive factors for international projects and large corporate clients.

2. Summary of Operating Results for the First Quarter of 2026

2.1 Service Revenue

For the first quarter ended March 31, 2026, CMO Public Company Limited (“the Company” or “CMO”) reported service revenue of THB 411.94 million, representing a decrease of THB 25.20 million, or 5.8%, compared to the previous quarter, and a decrease of THB 23.70 million, or 5.4%, compared to the corresponding period of the previous year, in which service revenue amounted to THB 435.64 million.

The decline in revenue reflected intensified competition within the event and experience creation industry, together with the timing of revenue recognition for projects under execution during the period. The Company’s revenue remains project-based revenue, recognized using the percentage of completion method. As a result, quarterly revenue may fluctuate depending on project size and project delivery schedules.

Revenue Structure and Revenue Recognition

The Company’s principal revenue streams continue to be derived from three core business segments:

- (1) Integrated event management services
- (2) Exhibition & Experience Solutions
- (3) Equipment and technical system services for events

During the quarter, the Company recognized revenue from both ongoing multi-quarter projects and projects completed within the reporting period. In addition, the Company continued to maintain work-in-progress projects that are expected to contribute revenue recognition in subsequent quarters.

Customer Diversification and Revenue Quality

The Company’s customer base includes government agencies, state enterprises, and private sector clients across various industries, including financial institutions, consumer products, automotive, energy, and information technology sectors. During the first quarter of 2026, the

Company secured projects from both existing and new clients, reflecting its ability to maintain long-term customer relationships while continuously expanding business opportunities.

The Company recognizes the concentration risk associated with reliance on a limited number of major customers, which is common in project-based industries. Accordingly, the Company continues to emphasize customer diversification and increasing the proportion of revenue derived from new customers and overseas projects.

Key Factors Affecting Revenue During the Quarter

Key factors affecting revenue during the quarter included:

- (1) intensified price competition from both domestic and foreign operators;
- (2) the timing of revenue recognition for projects under execution; and
- (3) adjustments in marketing and communication budgets among private sector clients in response to economic conditions and domestic purchasing power.

Nevertheless, the Company remains focused on differentiating itself through creative quality, enhancing project management efficiency, and expanding opportunities in overseas markets to support future revenue growth.

2.2 Cost of Services and Selling and Administrative Expenses

In the first quarter of 2026, the Company reported cost of services of THB 304.13 million, decreasing by THB 13.14 million, or 4.1%, compared to the previous quarter. However, compared to the corresponding period of the previous year, cost of services increased by THB 9.94 million, or 3.4%, despite lower service revenue, resulting in a decline in gross profit margin.

Selling and administrative expenses amounted to THB 80.61 million, increasing by THB 8.92 million, or 12.4%, compared to the corresponding period of the previous year.

Cost Structure of Services

The Company's cost of services primarily consists of project-driven variable costs, mainly related to subcontractors and outsourced service providers for design work, exhibition construction, technical systems, audiovisual equipment, and other specialized services necessary for project delivery.

In terms of supplier management, the Company maintains a diversified base of vendors and subcontractors, with the top five suppliers accounting for approximately 20% of total service costs, reflecting an appropriate level of supply chain risk diversification.

The increase in cost of services compared to the previous year was mainly attributable to higher material costs and subcontractor service fees in line with market conditions and intensified industry competition. At the same time, lower revenue levels significantly pressured the Company's gross profit margin.

Selling and Administrative Expense Structure

The Company's selling and administrative expenses primarily consist of fixed costs, mainly personnel-related expenses, including salaries, bonuses, and employee welfare, as well as expenses related to organizational restructuring and the strengthening of support teams to accommodate future business expansion. The increase in selling and administrative expenses during the first quarter of 2026 was mainly attributable to such personnel-related and organizational development expenses.

Cost and Expense Management Measures

Amid declining gross profit margins and intensified industry competition, the Company has implemented several cost and expense management measures for upcoming quarters, including:

- (1) negotiating pricing and payment terms with vendors and subcontractors to align project costs with budget targets;
- (2) planning the revenue recognition of work-in-progress projects to ensure continuity and alignment with recorded costs in each period;
- (3) closely monitoring and controlling administrative and personnel expenses in line with revenue levels and operational plans of each business unit; and
- (4) enhancing resource-sharing efficiency among group companies to reduce redundancy and improve overall operational efficiency.

2.3 Gross Profit and Net Profit

In the first quarter of 2026, the Company reported gross profit of THB 107.81 million, decreasing by THB 33.63 million, or 23.8%, compared to the corresponding period of the previous year. Gross profit margin was 26.2%, declining from 32.5% in the first quarter of 2025.

The Company reported net profit for the period of THB 20.8 million, representing a net profit margin of 5.1%. Net profit decreased by THB 33.25 million, or 61.5%, compared to the corresponding period of the previous year, and decreased by THB 11.24 million, or 35.1%, compared to the previous quarter.

Analysis of Gross Profit Changes

The decline in gross profit margin was attributable to two principal factors. The first factor related to revenue, as service revenue decreased by 5.4% year-on-year due to intensified pricing competition within the industry and the timing of revenue recognition for projects during the quarter. The second factor related to costs, as cost of services increased by 3.4% year-on-year due to higher prices of materials and subcontractor services. The simultaneous decline in revenue and increase in costs during the same period significantly pressured the Company's gross profit margin.

Compared to the previous quarter, gross profit margin decreased from 27.4% in the fourth quarter of 2025 to 26.2% in the current quarter, mainly due to differences in project mix and the timing of revenue recognition for ongoing projects.

Analysis of Net Profit Changes

The decline in net profit resulted from several combined factors, including:

- (1) the decrease in gross profit, which represented the most significant factor affecting net profit during the period;
- (2) the increase in selling and administrative expenses of THB 8.92 million, particularly personnel-related expenses; and
- (3) changes in other income and finance costs during the period.

Accordingly, the Company's net profit margin declined from 12.4% in the first quarter of 2025 to 5.1% in the first quarter of 2026, reflecting the impact of the Company's fixed-cost structure, particularly personnel expenses, amid lower revenue levels.

Factors Affecting Future Profitability

The Company recognizes the key factors affecting future profitability and has implemented management measures to maintain profitability, including selective acceptance of projects with appropriate profit margins, close project cost management, control of administrative

expenses, and expansion into customer groups and markets with stronger potential, including overseas projects and large corporate clients.

Summary of Operating Results for the First Quarter of 2026 (Unit: THB million)

Items	Q1/2026	Q4/2025	Q1/2025	QoQ	YoY
Service Revenue	411.94	437.14	435.64	-5.8%	-5.4%
Cost of Services	304.13	317.27	294.20	-4.1%	+3.4%
Gross Profit	107.81	119.86	141.44	-10.1%	-23.8%
Gross Profit Margin (GPM)	26.2%	27.4%	32.5%		
Selling and Administrative Expenses	80.61	79.37	71.70	+1.6%	+12.4%
Profit Before Tax	23.59	41.77	66.18	-43.5%	-64.3%
Net Profit	20.8	32.06	54.06	-35.1%	-61.5%
Net Profit Margin (NPM)	5.1%	7.3%	12.4%		

3. Summary of Financial Position

3.1 Assets

As of March 31, 2026, CMO Public Company Limited had total assets of THB 1,144.32 million, representing an increase of THB 13.25 million, or 1.2%, from the end of 2025, and an increase of THB 1.52 million, or 0.1%, compared to the corresponding period of the previous year. This reflected the Company's ability to maintain its asset base at a level comparable to the prior year despite challenging economic conditions and intensified market competition.

Current assets amounted to THB 358.55 million, decreasing by 1.7% from the end of 2025 and decreasing by 12.2% compared to the corresponding period of the previous year. Significant changes in current assets mainly related to cash and cash equivalents, trade receivables, and inventories.

The Company's cash and cash equivalents amounted to THB 60.00 million, decreasing by THB 57.57 million, or 49.0%, from the end of 2025, and decreasing by THB 76.21 million, or 56.0%,

compared to the corresponding period of the previous year. The decrease was primarily attributable to the utilization of working capital in business operations, including payments for goods and services to suppliers and subcontractors in accordance with project operating cycles.

Trade receivables amounted to THB 208.87 million, increasing by THB 41.64 million, or 24.9%, from the end of 2025, in line with revenue recognition from projects during the period and billing schedules based on project progress. The Company's average collection period was 42 days, which remained within the management's monitoring and control framework.

Contract assets amounted to THB 73.23 million, increasing by THB 9.99 million, or 15.8%, from the end of 2025, and increasing by THB 44.36 million, or 153.7%, compared to the same period of the previous year. The increase was primarily attributable to the progress of projects under execution and the recognition of revenue based on the stage of completion in accordance with the project delivery timeline. The Company continues to closely monitor and manage contract assets to ensure consistency with project execution plans, billing schedules, and efficient working capital management.

Asset Composition and Structure

As of March 31, 2026, CMO Public Company Limited had total assets of THB 1,144.32 million, consisting of current assets of THB 358.55 million, representing approximately 31.3% of total assets, and non-current assets of THB 785.77 million, representing approximately 68.7% of total assets.

Such asset structure reflects the nature of the Company's business operations, which require investments in equipment, fixed assets, and long-term operating assets to support project-based services and integrated event and experience management operations. Meanwhile, current assets primarily reflect the Company's working capital management and normal operating cycle.

Considering the change in total assets from the end of 2025, which increased by THB 13.25 million or 1.2%, the increase was mainly attributable to the growth in non-current assets, while current assets decreased slightly due to the reduction in cash and cash equivalents. Such decrease was partially offset by increases in trade receivables and inventories in line with project operations and revenue recognition during the period.

Analysis of Changes in Current Assets

Changes in current assets during the first quarter of 2026 mainly reflected a shift in the composition of assets (Composition Shift) rather than a significant change in the overall value of current assets. Key changes were as follows:

- Cash and cash equivalents decreased by THB 57.57 million, or 49.0%, from the end of 2025. The decrease was primarily attributable to the utilization of working capital in business operations, including payments for goods and services to suppliers and subcontractors for projects under execution during the period.
- Trade receivables increased by THB 41.64 million, or 24.9%, from the end of 2025, in line with revenue recognition from projects during the period, as well as project delivery schedules and invoicing milestones based on project progress. The Company's average collection period remained at 42 days, which was still within the management's monitoring framework and consistent with standard payment terms of both government and private sector customers.
- Contract assets increased by THB 9.99 million, or 15.8%, from the end of 2025, and increased by 153.7% compared to the same period of the previous year. Such increase was in line with the progress of projects currently under execution, for which the Company has recognized costs incurred and rights to consideration based on the percentage of completion. The level of contract assets therefore reflects the volume of ongoing projects that are expected to progressively recognize revenue in the following quarter.

Asset Quality and Working Capital Management

The increase in trade receivables and inventories, while cash and cash equivalents declined, reflected a change in the Company's working capital structure from cash-based assets toward operating assets that are in the process of being converted back into cash through the normal business cycle.

Such characteristics are common in project-based businesses, where the timing of revenue recognition, project delivery, and billing may not correspond directly with the timing of cost payments and operating expenses. Nevertheless, the Company recognizes the importance of

closely managing working capital in order to maintain adequate liquidity and support its short-term obligations appropriately.

The Company has therefore implemented continuous measures to manage asset quality and working capital, including:

- (1) closely monitoring debt collection and evaluating the quality of trade receivables through aging analysis;
- (2) managing inventory levels in line with project execution plans and business cycles to avoid excessive inventory holdings; and
- (3) planning cash utilization and maintaining an appropriate balance among cash, trade receivables, and inventories in accordance with the characteristics and duration of projects during each period, in order to support overall liquidity management efficiency.

3.2 Liabilities and Shareholders' Equity

As of March 31, 2026, CMO Public Company Limited had total liabilities of THB 724.24 million, consisting of current liabilities of THB 600.55 million, an increase of THB 2.07 million or 0.3% from the end of 2025, and non-current liabilities of THB 123.69 million, an increase of THB 2.36 million or 1.9% from the end of 2025.

As of the end of the first quarter of 2026, the Company's Debt-to-Equity Ratio (D/E Ratio) was 1.72 times, improving from 1.75 times at the end of 2025 and from 1.79 times in the corresponding period of the previous year. This reflected the Company's improving capital structure management and more disciplined debt management practices.

Shareholders' equity amounted to THB 420.08 million, increasing by THB 8.8 million or 2.1% from the end of 2025, mainly attributable to the Company's operating results and retained earnings generated during the period.

Liability Composition and Structure

As of March 31, 2026, the Company's total liabilities of THB 724.24 million consisted of current liabilities of THB 600.55 million, representing approximately 82.9% of total liabilities, and non-current liabilities of THB 123.69 million, representing approximately 17.1% of total liabilities.

The relatively high proportion of current liabilities reflected the nature of the Company's project-based business operations, in which payment cycles for goods and services, trade

payable management, and short-term obligations are important components of working capital management and normal business operations.

Current liabilities mainly comprised trade and other payables, short-term borrowings from financial institutions, current portions of lease liabilities, and other current liabilities related to business operations. Non-current liabilities mainly consisted of long-term borrowings from financial institutions, long-term lease liabilities, and employee benefit obligations.

Analysis of Changes in Liabilities

Changes in the Company's total liabilities from the end of 2025 remained limited in scale. Current liabilities increased by THB 2.07 million, or 0.3%, in line with project operating cycles, trade payable management, and cash flow management during the period.

Meanwhile, non-current liabilities increased by THB 2.36 million, or 1.9%, primarily due to accounting recognition related to lease accounting standards and changes in long-term lease obligations.

Although the Company's net profit for the first quarter of 2026 declined compared to the corresponding period of the previous year, total liabilities changed only marginally. This reflected the Company's prudent financial discipline and careful debt management, as the Company did not incur significant additional borrowings to support operations during the period.

The Company's average payment period remained at 72 days, which continued to serve as an important mechanism for working capital management and liquidity maintenance, given the mismatch between revenue recognition and customer collection cycles versus cost payment cycles and operating expenses.

Shareholders' Equity and Capital Structure

As of March 31, 2026, shareholders' equity amounted to THB 420.08 million, increasing by THB 8.8 million, or 2.1%, from the end of 2025. The increase was mainly attributable to higher retained earnings resulting from operating performance and net profit generated during the period.

The increase in shareholders' equity while total liabilities remained relatively stable resulted in an improvement in the Company's Debt-to-Equity Ratio (D/E Ratio), which decreased from 1.75 times at the end of 2025 to 1.72 times at the end of the first quarter of 2026, and improved

from 1.79 times in the corresponding period of the previous year. This reflected the Company's disciplined approach to capital structure and debt management.

In addition, the Company's Net Interest-Bearing Debt to Equity Ratio as of the end of the first quarter of 2026 was 0.80 times, slightly improving from 0.81 times in the corresponding period of the previous year, while the Debt-to-Assets Ratio improved to 0.63 times from 0.64 times.

The improvement in these financial ratios reflected that, despite pressure on profitability and operating performance from intensified competition and rising costs, the Company remained able to manage its capital structure and debt levels at an appropriate and manageable level under its ongoing financial risk management and liquidity management framework.

Debt Servicing Ability and Capital Structure Management

As of the end of the first quarter of 2026, the Company's Interest Coverage Ratio was 6.15 times, declining from 15.08 times in the corresponding period of the previous year, mainly due to lower operating profit during the period. Nevertheless, the ratio remained at a level indicating that the Company was still capable of servicing interest obligations from its operating activities.

At the same time, the Company's Debt Service Coverage Ratio (DSCR) was 0.09 times, decreasing from 0.27 times in the first quarter of 2025. This reflected pressure from lower operating cash flows and reduced profitability during the period. The Company therefore continued to closely monitor liquidity management and short-term debt servicing obligations.

The Company has established ongoing policies for capital structure and debt management, including:

- (1) maintaining disciplined borrowing practices in line with the Company's cash flow generation capability;
- (2) balancing short-term and long-term debt structures in accordance with the nature of the Company's funding requirements;
- (3) closely monitoring and managing finance costs to control the impact of interest-bearing obligations; and
- (4) considering appropriate financial instruments and funding sources to strengthen liquidity and support future business operations under the Company's financial risk management framework.

4. Key Financial Ratios

The Company continuously monitors and evaluates key financial ratios to assess profitability, liquidity, capital structure, and operational efficiency. The key developments for the first quarter of 2026 can be summarized as follows:

4.1 Profitability Ratios

The Company's gross profit margin (GPM) decreased from 32.5% in Q1/2025 to 26.2% in Q1/2026, representing a decline of 6.3 percentage points. The decrease reflected pressure from higher service costs as well as intensified price competition in the event and experience creation industry.

Meanwhile, the net profit margin (NPM) decreased from 12.4% to 5.1%, representing a decline of 7.4 percentage points compared to the same period last year. The decline was mainly attributable to the reduction in gross profit margin, together with selling and administrative expenses remaining at a relatively high level compared to revenue during the period.

4.2 Capital Structure and Debt Servicing Ratios

As of 31 March 2026, the Company's debt-to-equity ratio (D/E Ratio) stood at 1.72 times, improving from 1.75 times as of year-end 2025 and from 1.79 times in the same period of the previous year. This reflected the Company's continued disciplined approach to capital structure and debt management at an appropriate and manageable level.

Nevertheless, the Company continues to place importance on cash flow management and short-term debt obligations amid the decline in profitability resulting from cost pressures and heightened industry competition.

4.3 Liquidity and Cash Conversion Cycle

As of the end of Q1/2026, the Company's current ratio stood at 0.60 times, slightly decreasing from 0.61 times as of year-end 2025 and from 0.68 times in Q1/2025, reflecting tighter liquidity conditions compared to both the previous period and the same period of the previous year.

The Company's cash conversion cycle (Cash Conversion Cycle: CCC) for Q1/2026 remained negative at 26 days, compared to negative 31 days in Q4/2025 and negative 22 days in Q1/2025. The key components of the cash conversion cycle consisted of an average collection

period of 42 days, an average inventory holding period of 5 days, and an average payable period of 72 days.

Key Financial Ratios Table: Q1/2026 Compared with Q1/2025

Items	Units	Q1/2026	Q1/2025
Liquidity Ratios			
Current Ratio	Times	0.60	0.68
Quick Ratio	Times	0.45	0.61
Cash Flow Liquidity	Times	(0.09)	0.14
Cash Conversion Cycle	Days	(26)	(22)
Average Inventory Period	Days	5	4
Average Collection Period	Days	42	40
Average Payment Period	Days	72	66
Profitability Ratios			
Gross Profit Margin	%	26.17%	32.47%
EBIT/Operating Margin	%	6.82%	16.23%
Net Profit Margin	%	5.04%	12.38%
Return on Equity	%	20.03%	56.02%
Efficiency Ratios			
Return on Assets	%	7.32%	19.95%
Total Assets Turnover	Times	1.45	1.61
Financial Policy Ratios			
Debt to Equity	Times	1.72	1.79
Interest Coverage Ratio	Times	6.15	15.08
Debt to Assets	Times	0.63	0.64
Net IBD to Equity	Times	0.80	0.81
DSCR	Times	0.09	0.27

5. Risk Factor Analysis

The Company has assessed key risk factors that may affect its operating results, financial position, and liquidity in the periods ahead, taking into consideration the Company's performance in the first quarter of 2026, the competitive landscape of the event and experience creation industry, as well as overall economic conditions and consumer purchasing power.

In this regard, the Company has established risk management guidelines in various areas to control and mitigate potential impacts to an appropriate level. The key risk factors can be summarized as follows:

5.1 Competitive and Industry Risks

Risk Characteristics: The event and experience creation industry continues to face intensifying competition from large domestic operators, specialized service providers, and foreign-funded operators bringing labor and equipment into Thailand. Such conditions have created pricing pressure in project bidding and adversely affected profit margins of domestic event operators.

Observed Impact: In Q1/2026, the Company's gross profit margin decreased from 32.5% in Q1/2025 to 26.2%, while service revenue declined by 5.4% compared to the same period of the previous year.

Risk Management Approach: The Company has implemented the following measures to manage competitive and industry-related risks:

1. Differentiating its creative work quality, experience design capabilities, and sustainability compliance standards to meet the requirements of large corporate clients and international-scale projects.
2. Selectively accepting projects with appropriate gross profit margins that align with the Company's project management capabilities.
3. Expanding business opportunities into overseas markets and large corporate customer segments to diversify revenue sources and reduce reliance on domestic market competition.

5.2 Cost and Profitability Risks

Risk Characteristics: The Company faces cost pressures from rising material prices, labor costs, and subcontractor service fees in line with market conditions and industry competition. In addition, the Company's service cost structure is primarily project-driven variable costs, with significant reliance on subcontractors and external service providers.

Observed Impact: In Q1/2026, the Company's cost of services increased by 3.4% compared to the same period last year, while service revenue declined by 5.4%. As a result, gross profit decreased by THB 33.63 million, or 23.8%, and net profit declined by 61.5% to THB 20.8 million, representing a net profit margin of 5.1%.

Risk Management Approach: The Company has continuously implemented measures to manage cost and profitability risks, including:

1. Negotiating pricing and payment terms with suppliers and subcontractors to maintain project costs within budget and acceptable profit margin levels.
2. Planning revenue recognition for work-in-progress projects to align with recognized costs in each reporting period in order to maintain earnings stability.
3. Closely monitoring and controlling project costs throughout all stages of project execution.

5.3 Liquidity and Cash Flow Risks

Risk Characteristics: The Company operates a project-based business model in which the timing of revenue recognition and customer collections may not align with payment cycles to suppliers and subcontractors. In addition, a portion of the Company's major clients are government agencies and state enterprises, which generally have formal inspection and payment approval procedures that may extend collection periods. As a result, the Company may face liquidity and cash flow management risks during certain periods.

Observed Impact: As of the end of Q1/2026, the Company's cash and cash equivalents amounted to THB 60.00 million, decreasing by 49.0% from year-end 2025. The current ratio stood at 0.60 times, down from 0.68 times in Q1/2025, while the Debt Service Coverage Ratio (DSCR) decreased from 0.27 times to 0.09 times, reflecting tighter liquidity and reduced short-term debt servicing capacity compared to the prior year.

Risk Management Approach: The Company has established the following liquidity and cash flow risk management measures:

1. Proactively managing cash flow, including closely monitoring debt collection and continuously evaluating trade receivable quality through aging analysis.
2. Maintaining an appropriate balance among cash, trade receivables, and inventories in accordance with the nature and timeline of projects.
3. Considering suitable financial instruments and funding sources to strengthen liquidity and support future operations.

5.4 Revenue Concentration and Project-Based Business Risks

Risk Characteristics: The Company's service revenue is project-based revenue recognized using the percentage-of-completion method. As a result, revenue levels in each quarter may fluctuate depending on project size, duration, and delivery timing. In addition, revenue may be concentrated among certain key customers or industries during particular periods, which could increase revenue volatility if significant projects are postponed or delayed.

Observed Impact: In Q1/2026, the Company reported service revenue of THB 411.94 million, representing a decrease of 5.8% quarter-on-quarter and 5.4% year-on-year, reflecting the sensitivity of revenue levels to project recognition timing in each reporting period.

Risk Management Approach: The Company has implemented the following measures to manage revenue concentration and project-based revenue volatility risks:

1. Diversifying its customer base and increasing revenue contribution from new customer groups and overseas projects.
2. Managing the project portfolio to maintain an appropriate mix of multi-quarter projects in order to reduce revenue volatility across periods.
3. Expanding its customer base across government agencies, state enterprises, and private sector clients in various industries to reduce overreliance on any single customer or industry.

5.5 Supply Chain and Supplier Risks

Risk Characteristics: A significant portion of the Company's service costs relates to subcontractors and external service providers for design work, exhibition construction, technical systems, audio-visual equipment, and other specialized project-related services. The Company's relatively high reliance on external suppliers and subcontractors may expose it to

risks associated with changes in material and service pricing, service availability, work quality, and supply chain continuity, which could affect project delivery schedules, project costs, and profitability.

Observed Impact: In Q1/2026, the Company's top five suppliers accounted for approximately 20% of total service costs, reflecting an appropriate level of supply chain diversification. Nevertheless, rising material and subcontractor service costs remained one of the key factors contributing to higher service costs and pressure on the Company's profit margins during the period.

Risk Management Approach: The Company has continuously implemented the following supply chain and supplier risk management measures:

1. Selecting suppliers and subcontractors based on quality standards, operational capabilities, and business stability, while negotiating appropriate commercial terms.
2. Maintaining a diversified supplier and subcontractor base to reduce dependency on any single provider and enhance project management flexibility.
3. Closely monitoring and managing project costs to maintain competitive pricing while preserving the Company's service quality and standards.

5.6 Personnel and Administrative Expense Risks

Risk Characteristics: The Company's selling and administrative expenses mainly consist of fixed costs, particularly personnel-related expenses such as salaries, bonuses, and employee welfare, which accounted for more than 90% of total selling and administrative expenses during the period. Given the fluctuating nature of project-based revenue, maintaining high personnel costs may adversely affect profitability and cost management flexibility.

Observed Impact: In Q1/2026, selling and administrative expenses increased by THB 8.92 million, or 12.4% year-on-year, primarily due to a THB 8.55 million increase in administrative expenses, or 16.9%, resulting from organizational restructuring, additional support personnel, and employee bonus and welfare expenses. Consequently, the Company's fixed cost base increased.

Risk Management Approach: The Company has continuously implemented the following personnel and administrative expense management measures:

1. Monitoring and controlling administrative and personnel expenses in line with revenue levels, operational plans, and business unit performance.
2. Managing workforce structure and headcount to align with business direction and future expansion plans.
3. Enhancing operational efficiency and resource sharing among group companies to reduce redundancy and improve overall operational efficiency.

5.7 Capital Structure and Interest Burden Risks

Risk Characteristics: The Company's capital structure consists primarily of current liabilities, accounting for approximately 82.9% of total liabilities. Under conditions of declining operating profitability, the Company's ability to support interest obligations and short-term financial commitments may face increased pressure.

Observed Impact: The Company's Interest Coverage Ratio declined from 15.08 times in Q1/2025 to 6.15 times in Q1/2026, reflecting lower operating profit during the period. Nevertheless, the Debt-to-Equity Ratio improved from 1.75 times at the end of 2025 to 1.72 times at the end of Q1/2026, reflecting disciplined financial and capital structure management.

Risk Management Approach:

1. Maintaining prudent discipline in incurring new debt in line with the Company's cash flow generation capability.
2. Managing the balance between short-term and long-term debt structures in accordance with the Company's funding requirements and business operations.

For your information.

Yours Sincerely,

(Mr. Mongkol Silthumpitug)
Chief Executive Officer
CMO Public Company Limited